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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 21, 2011

Certified Return Receipt
7004 1160 0003 0191 9417

Mr. Ralph Simpson
929 North 2500 West
Vernal, Utah 84078

Subject: Notice of File Closure and Release of Reclamation Surety, Ralph Simpson, Homer and Bart, S/047/0078, Uintah County, Utah

Dear Mr. Simpson:

The referenced Notice of Intention to Commence Small Mining Operations (Notice) will now be closed and the files retired. Only minimal disturbance occurred, and the disturbance has been cleaned up and reclaimed. The Trust Lands Administration cancelled the lease effective January 1, 2006. The following are excerpts from reports for inspections completed since the lease was canceled:

November 1, 2006, Inspection Report

Conclusions and Recommendations:

I suggest that the operator request release of the reclamation surety. The Division would be in a position to release the surety if the operator requested it and if Trust Lands agreed to the release. The operator does not have approval to mine because of non-payment of the permit fee, and he does not have right of entry.

November 18, 2009, Inspection Report

Inspection Summary: Operator no longer has right of entry from SITLA. No active mining was noted. There were several camping/hunting sites in the area. Only a few pallets were noted, none had rock loaded on the pallets. Vegetation matches surrounding native vegetation. Photos were taken to document site conditions.

Conclusions and Recommendations: Operator should remove the pallets and close the permit. OGM to continue annual inspections and monitor the site when in the area.

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Ralph Simpson
S/047/0078
September 21, 2011

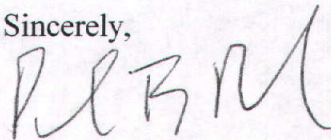
The reclamation surety held by Zions Bank, in the form of a certificate of deposit (CD) has already been released.

We are returning your original reclamation contract and our copy of the CD to you for your disposal or records.

You are hereby released by the Division from further reclamation responsibilities at these sites. If you wish to conduct any future mining or exploration related activity in this area, you will need to submit a Notice to the Division and other appropriate agency(ies), and provide reclamation surety prior to creating any disturbance.

If you have any questions or concerns regarding this action, please contact me at (801) 538-5261 or Leslie Heppler at (801) 538-5257. Thank you for your patience.

Sincerely,

A handwritten signature in dark ink, appearing to read 'PBBM', is written over the word 'Sincerely,'.

Paul B. Baker
Minerals Program Manager

PBB:lah:pb
ENCLOSURES: CD, Original Reclamation Contract
cc: SITLA - Jblake@utah.gov
DOGM - Penny Berry
P:\GROUPS\MINERALS\WP\M047-Uintah\S0470078-Simpson\final\RETIRE-09212011.doc

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 5/047/0078 Mine Name Simpson
Operator _____ Date Sent Sept 21 2011
TO _____ FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded
Notice of File Closure and Release of Reclamation Surety
2011-09212011

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2011-09212011

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2011-09212011

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____